

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE PENDLETON)	
COUNTY WATER DISTRICT, OF PENDLETON)	
AND CAMPBELL COUNTIES, KENTUCKY)	CASE NO. 9625
FOR APPROVAL OF CONSTRUCTION,)	
FINANCING AND INCREASED RATES)	

AMENDED ORDER

On April 20, 1987, the Commission entered its Order in Case No. 9625 granting Pendleton County Water District ("Pendleton") an increase in rates and combining the rates of Divisions I and II into one rate schedule.

On April 22, 1987, the Commission entered its Order in Case No. 9909, a purchased water adjustment of Pendleton pursuant to KRS 278.015. The rates granted were effective for service rendered on and after April 15, 1987.

The information relating to the increased purchased water expense was not filed in Case No. 9625; therefore the increased expense was not considered in that case. The rates granted in Case No. 9909 were based on separate rates for Divisions I and II and did not reflect the increase granted in Case No. 9625

On May 4, 1987, Pendleton filed a revised purchased water adjustment application which reflects the increased rate from its supplier, Campbell County Water District ("Campbell"), and the change in rate design granted in Case No. 9625.

After reviewing Pendleton's filing, it has been determined that this increased expense should have been considered in Case No. 9625. Based on test year allowable gallons of 55,551,412, the revised purchased water cost from Campbell is \$48,885, which results in an annual increase of \$6,666, or 10 cents per 1,000 gallons.

FINDINGS AND ORDERS

The Commission, after consideration of the evidence of record and being advised, is of the opinion and finds that:

1. Pendleton received an increase in purchased water costs from Campbell effective April 15, 1987.

2. The rates proposed by Pendleton would produce revenue in excess of that found reasonable herein and, therefore, should be denied upon application of KRS 278.030.

3. The rates in Appendix A are the fair, just and reasonable rates for Pendleton.

IT IS THEREFORE ORDERED that:

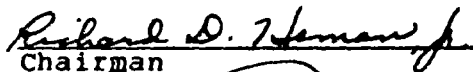
1. The rates proposed by Pendleton are hereby denied.

2. The rates in Appendix A are approved for service rendered by Pendleton on and after the date of this Order.

3. Within 30 days of the date of this Order, Pendleton shall file its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 22nd day of June, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9625 DATED 6/22/87

The following rates and charges are prescribed for the customers in the area served by Pendleton County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 2,000 gallons	\$8.45 Minimum Bill
Next 3,000 gallons	3.90 per 1,000 gallons
Next 10,000 gallons	3.80 per 1,000 gallons
Over 15,000 gallons	3.65 per 1,000 gallons

Griffin Industries, Inc.

First 400,000 gallons	\$1,463.40 Minimum Bill
Over 400,000 gallons	3.65 per 1,000 gallons

Pendleton County High School

First 125,000 gallons	\$ 459.65 Minimum Bill
Over 125,000 gallons	3.65 per 1,000 gallons